

Please Note: These transcripts are not individually reviewed and approved for accuracy.

MEETING

STATE OF CALIFORNIA

INTEGRATED WASTE MANAGEMENT BOARD

SPECIAL WASTE COMMITTEE

JOE SERNA, JR., CALEPA BUILDING

1001 I STREET

2ND FLOOR

COASTAL HEARING ROOM

SACRAMENTO, CALIFORNIA

TUESDAY, JULY 8, 2003

9:30 A.M.

JAMES F. PETERS, CSR, RPR
CERTIFIED SHORTHAND REPORTER
LICENSE NUMBER 10063

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

APPEARANCES

COMMITTEE MEMBERS

Jose Medina, Chairperson

Steven Jones

Michael Paparian

STAFF

Mark Leary, Executive Director

Julie Nauman, Chief Deputy Director

Elliot Block, Acting Chief Counsel

Jim Lee, Deputy Director

Don Dier

Arlene Nishimura

Cheryl Williams

Elena Yates

ALSO PRESENT

Dave Siegel, Office of Environmental Health Hazard
Assessment(OEHHA)

PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

INDEX

PAGE

Roll Call And Declaration Of Quorum	1
A. Deputy Director's Report	2
B. Consideration Of The Grant Awards For The Used Oil Recycling Block Grant Program For FY 2003/2004 -- (Budget & Administration Committee Item B And July Board Item 2)	4
Motion	11
Vote	11
C. Discussion Of Draft Report Entitled "Evaluation Of Academic Resources In California For A Tire Research Center" By The Office Of Environmental Health Hazard Assessment -- (July Board Item 4)	11
D. Consideration Of Proposed Applicant Eligibility, Project Eligibility, Scoring Criteria, And Evaluation Process For The FY 2003/2004 Waste Tire Track And Other Recreational Surfacing Grant Program -- (July Board Item 5)	35
Motion	37
Vote	37
Public Comment	37
Adjournment	38
Reporter's Certificate	39

1 PROCEEDINGS

2 CHAIRPERSON MEDINA: Good morning. Today's
3 Tuesday, July the 8th. And this is a meeting of the
4 Special Waste Committee.

5 At this time please turn off your cell phones and
6 pagers and put them on the vibrating mode.

7 Would you call the roll please.

8 SECRETARY HARRIS: Jones?

9 COMMITTEE MEMBER JONES: Here.

10 SECRETARY HARRIS: Paparian?

11 COMMITTEE MEMBER PAPARIAN: Here.

12 SECRETARY HARRIS: Medina?

13 CHAIRPERSON MEDINA: Here.

14 Before we proceed on our agenda, let me just make
15 an announcement that because of a special hearing today
16 scheduled for this afternoon, the Market and
17 Sustainability Committee will be meeting at 11 o'clock.
18 So we are going to have to complete our business here
19 before 11 o'clock.

20 So in that regard, members, on these issues and
21 items that we have before us, if you'd keep your remarks
22 to the point, we can get through this agenda in time for
23 the Sustainability Committee.

24 With that, the Deputy Director's report, Mr. Jim
25 Lee.

1 DEPUTY DIRECTOR LEE: Thank you, Chairman Medina.
2 Good morning, Committee members. My name is Jim Lee with
3 the Special Waste Division.

4 I have a couple items on my Deputy Director's
5 report for this morning.

6 First of all, I wanted to give you a status
7 update on the roll out of the new Waste Tire Manifest
8 System which went into effect July 1st. We started
9 manifest training, as you know, back in May 20th in
10 Sacramento and carried it throughout the state, ending on
11 June 26th. Participation ranged from 5 to 75 individuals
12 at these events, typically in the range of 20 plus.

13 We also held training venues in Spanish, where
14 appropriate, and in Tijuana, Mexico, to facilitate
15 participation of Mexican haulers doing business in
16 California.

17 Last week the Hauler Unit received 424 calls
18 concerning the Manifest or Hauler Program. Typically,
19 most of these calls were to order manifest, to ask
20 questions concerning the manifest or the Tire Program
21 identification number.

22 Major complaints about the new system to date:
23 Too much paperwork compared to the old system; the fact
24 that there's a perception that it's time consuming; and
25 there's confusion with regard to the process.

1 We are currently working directly with the Tire
2 Retread Information Group and other groups and individuals
3 registering these complaints to fully understand their
4 needs and problems with the system and to accommodate them
5 where possible.

6 Now, for an update on our Household Hazardous
7 Waste Program. AB 501 (Cogdill) proposes significant
8 revisions to the Household Hazardous Waste Grant Program.
9 This bill, which has been held in the Assembly, is a
10 two-year bill. It's sponsored by the Regional Council for
11 Rural Counties -- that's RCRC. The proposal would set
12 aside 20 percent of the Household Hazardous Waste Grant
13 funding for noncompetitive grants to rural agencies. The
14 grant funds could be used for ongoing operational
15 expenses, which are not currently a priority for HHW
16 competitive grants. Between 3 and \$5 million is available
17 annually for competitive grants to local governments to
18 reduce the illegal disposal of household hazardous waste.

19 Staff is soliciting input from stakeholders that
20 are bimonthly household hazardous waste information
21 exchanges in July and September. Staff will present a
22 discussion item for the Committee in October or November
23 to fully explore this issue. This time line will allow
24 Board member input before the next legislative session.

25 One final note. The Sonoma agenda item has been

1 prepared and is now in BAWDS. Although this item is not
2 on the agenda for today's Committee meeting, staff will
3 present it at the Board meeting next week.

4 That concludes my report. Unless there are
5 questions, staff is prepared to move into the agenda for
6 today.

7 CHAIRPERSON MEDINA: Board members, any
8 questions?

9 Okay. Thank you for your report.

10 DEPUTY DIRECTOR LEE: Thank you, Chairman Medina.

11 The first item for the Committee's consideration
12 is Board Item Number 2, Committee Item B, consideration of
13 the grant awards for the Used Oil Recycling Block Grant
14 Program for Fiscal Year 2003-2004.

15 Before Cheryl Williams commences the staff
16 presentation on this item I want to bring one issue to
17 your attention relative to use of block grant funds for
18 storm water related expenses.

19 You may recall that effective January 2002 AB
20 1201, allowed Used Oil Grant funds to be used for
21 education and mitigation projects relating to storm water
22 pollution from used oil and oil byproducts, including but
23 not limited to storm drain filter inlet devices.

24 Last year, staff committed to reporting on block
25 grant activities related to storm water mitigation during

1 this award item. However, effective 2002, the semi-annual
2 reporting requirement that would have elicited information
3 regarding these activities was reduced with Board approval
4 to an annual report.

5 Therefore, no data will be forthcoming until the
6 Fiscal Year '02-'03 annual reports due August 15th.

7 The review and analysis of these reports will be
8 completed in October. Therefore, it is staff's intent to
9 prepare an item regarding storm water expenditures and
10 activities for the November or December Board meeting.

11 With that prologue, and with the Committee's
12 approval, I will now turn this over to Cheryl Williams for
13 the remainder of the staff presentation.

14 (Thereupon an overhead presentation was
15 Presented as follows.)

16 MS. WILLIAMS: Thank you, Jim.

17 Good morning, Chairman MEDINA, Special Committee
18 members.

19 I will present the July Board Item 2, which is
20 today's Agenda Item B, consideration of the grant awards
21 for the Used Oil Recycling Block Grant Program for Fiscal
22 Year 2003-2004.

23 The Used Oil Block Grants are awarded annually
24 and utilized for developing and maintaining convenient oil
25 collection opportunities, publicity, and/or public

1 education to promote used oil recycling and reuse.

2 Local jurisdictions are encouraged to develop
3 cooperative regional programs combining several cities
4 and/or counties to improve overall grant program
5 efficiencies. They are also encouraged to develop
6 partnerships with private, nonprofit or other governmental
7 organizations to leverage funds and resources.

8 Statute specifies that half of the funds
9 remaining in the Used Oil Recycling Fund or the greater of
10 ten million be allocated to block grants. In addition,
11 jurisdictions receive funds from the promotional and local
12 assistant line items for used oil filter recycling
13 activities. This line item also supplements the
14 per-capita award to provide for minimum funding of 5,000
15 for cities and 10,000 for counties.

16 --o0o--

17 MS. WILLIAMS: At the September 2000 Board
18 meeting the Board approved modifications to the grant term
19 and award process. Specifically, the Board approved
20 awarding block grants annually and extending the term to
21 three years. The Board also directed the withholding of
22 future block grant funding from grantees that did not
23 comply with the semi-annual reporting requirements or owed
24 the Board money from previous block grants.

25 At the December 2002 Board meeting the Board

1 approved five administrative changes to improve grant
2 program efficiency:

3 One was to offer small grantees, those receiving
4 20,000 or less in funding, the option of reimbursement in
5 lieu of advance of payments where interest tracking is
6 required. Some of the small jurisdictions have a problem
7 in reporting interest.

8 The second one was to eliminate the semi-annual
9 reporting requirement and return to the statutory
10 authorized annual report.

11 The third, authorize strict enforcement of the
12 90-day agreement return policy.

13 The fourth, set a firm deadline on or before June
14 1st to submit an application.

15 And, five, exempt the Block Grant Program from
16 the newly required check list.

17 --o0o--

18 MS. WILLIAMS: Statute stipulates that block
19 grant awards be calculated on a per-capita basis for each
20 jurisdiction. For the 9th cycle grants this calculated to
21 approximately 31 cents per capita. With the per-capita
22 calculation funds are distributed proportionately
23 throughout the state.

24 --o0o--

25 MS. WILLIAMS: The 9th cycle block grant

1 application was mailed to potential grantees and posted on
2 the Board's website in January. As of the June 1st
3 application deadline, 232 applications were received,
4 representing approximately 92 percent of the state's
5 population.

6 --o0o--

7 MS. WILLIAMS: Of the applicants received, as of
8 the BAWDS deadline we had 11 grantees -- listed in
9 Attachment 1 -- that had submitted incomplete annual
10 reports. But as of yesterday, that list has been reduced
11 to three grantees. And you should have a revised
12 Attachment 1 in your packet.

13 As of the BAWDS deadline four grantees had not
14 submitted annual reports for either Block Grant 6 or Block
15 Grant 7 cycle grants. They're listed in Attachment 2.
16 But as of yesterday, we have cleared the list. You should
17 have that revised attachment as well.

18 And, lastly, two grantees owe the Board funds for
19 past unspent used Oil Block Grant funds. And that's
20 listed on Attachment 3. Only one of those grantees
21 applied this year for funding, and that list is still
22 current.

23 --o0o--

24 MS. WILLIAMS: In conclusion, staff recommends
25 that the Used Oil Block Grants be awarded to the

1 applicants listed in Resolution Number 2003-381, for the
2 amount of \$11,079,748, conditioned on the following three
3 items:

4 1) Submission of a complete application by June
5 1st, 2003;

6 2) Approval of all previously submitted past-due
7 annual reports; and

8 3) Return of any unspent block grant funds owed
9 to the Board.

10 All three conditions must be complied with within
11 90 days of this resolution approval to receive block grant
12 funding.

13 This concludes my presentation. Are there any
14 question?

15 CHAIRPERSON MEDINA: I had one question in regard
16 to the attachments. The lines that you have, are they
17 strike-throughs and not underlines?

18 MS. WILLIAMS: Strike-throughs.

19 CHAIRPERSON MEDINA: Yes.

20 MS. WILLIAMS: On the attachments?

21 CHAIRPERSON MEDINA: Yes.

22 MS. WILLIAMS: Yes.

23 CHAIRPERSON MEDINA: And so in regard to
24 Attachment 1, the cities that have incomplete reports are
25 Fountain Valley, Moorpark, and Santa Barbara?

1 MS. WILLIAMS: Yes.

2 CHAIRPERSON MEDINA: And have they been contacted
3 and are they in the process of turning in the reports? Or
4 what's the status in regard to those cities?

5 MS. WILLIAMS: Yes, they've all three been
6 contacted, and they should -- most of them should comply
7 within the 90 days.

8 CHAIRPERSON MEDINA: And then moving on to
9 Attachment, 2 all of those cities have submitted their
10 reports?

11 That's Laguna Beach, Laguna Woods, Santa Ana,
12 Tehachapi.

13 MS. WILLIAMS: Yes, they have.

14 CHAIRPERSON MEDINA: Yes.

15 And then moving on in regard to the amounts due.
16 Fountain Valley has submitted again. And they have been
17 invoiced by us?

18 MS. WILLIAMS: Yes, they have. They were
19 invoiced in the middle of June. And they were told they
20 have until the middle of July to comply. They've been
21 formally invoiced, yes. And Escondido as well has been
22 formally invoiced.

23 CHAIRPERSON MEDINA: Okay. Thank you.

24 Members, any questions or comments in regard to
25 this?

1 CHAIRPERSON MEDINA: Board Member, Jones.

2 COMMITTEE MEMBER JONES: Mr. Medina, I'd like to
3 move Resolution 2003-381, consideration of the grant award
4 for the Used Oil Recycling Block Grant Program for Fiscal
5 Year 2003-4, in the amount of \$11,079,748 with the three
6 conditions that were part of the staff report.

7 COMMITTEE MEMBER PAPARIAN: Second.

8 CHAIRPERSON MEDINA: Resolution 2003-381 has been
9 moved by Board Member Jones, seconded by Board Member
10 Paparian.

11 And this item will be placed on the fiscal
12 consent.

13 SECRETARY HARRIS: We need a vote.

14 We need a vote.

15 CHAIRPERSON MEDINA: Can we call the roll on
16 this.

17 SECRETARY HARRIS: Jones?

18 COMMITTEE MEMBER JONES: Aye.

19 SECRETARY HARRIS: Paparian?

20 COMMITTEE MEMBER PAPARIAN: Aye.

21 SECRETARY HARRIS: Medina?

22 CHAIRPERSON MEDINA: Aye.

23 And this will be placed on fiscal consent.

24 DEPUTY DIRECTOR LEE: Thank you Chairman Medina.

25 Board Item 4, Committee Item C, is discussion of

1 the draft report entitled "Evaluation of Academic
2 Resources in California for a Tire Research Center" by the
3 Office of Environmental Health Hazard Assessment.

4 Don Dier of the Waste Tire Branch and Dave
5 Siegel, an OEHHA staff member will make brief
6 presentations.

7 MR. DIER: Good morning.

8 As a part of last year's reallocation of tire
9 funds the Board directed \$30,000 to an interagency
10 agreement with the Office of Environmental Health Hazard
11 Assessment. The scope of work for this study directed the
12 contractor to come up with a recommendation of three or
13 more approaches for the Board to obtain the expertise
14 needed to assist in tire-related issues including the
15 possible establishment of a California tire research
16 center within an academic institution. The work began
17 last fall on this, and we received the draft report in May
18 of this year.

19 Tom Micka was the staff contract manager. He's
20 on vacation, is unable to be here to make this
21 presentation this morning. Arlene Nishimura of the OEHHA
22 staff was the author and Dave Siegel was a primarily
23 reviewer. And Dave will be making the presentation.

24 So, Dave.

25 MR. SIEGEL: Thank you.

1 (Thereupon an overhead presentation was
2 Presented as follows.)

3 MR. SIEGEL: Good morning Chairman Medina and
4 Board members.

5 With me I do have Arlene Nishimura to answer
6 questions I may be unable to answer.

7 As stated, that we were asked to provide an
8 evaluation or evaluate -- provide an evaluation of
9 academic resources in California to establish a tire
10 research center.

11 --o0o--

12 MR. SIEGEL: The purpose of the report was to
13 assist the Board in looking at these -- at this idea and
14 primarily to establish this research center to do research
15 needed by the Board and to provide expert peer review of
16 the board -- or of the work.

17 --o0o--

18 MR. SIEGEL: The questions that were asked
19 primarily in the request:

20 What institutional and individual expertise for
21 tire-related issues exist within California's higher
22 academic institutions?

23 What academicians have a background or experience
24 in tire-related issues?

25 And what are the approaches and feasibility for

1 establishing a research center?

2 --o0o--

3 MR. SIEGEL: The current approach that the Board
4 uses is to establish -- or to seek assistance from the
5 other boards and departments and offices within Cal EPA
6 and to go to the universities that see if there's
7 expertise to answer their questions.

8 If that fails, then the Board will look outside
9 for qualified experts and to gain -- or go through a
10 competitive process through the proposal or request for
11 proposal and qualifications.

12 --o0o--

13 MR. SIEGEL: To date the recycled tire group has
14 established 19 contracts, two with the California State
15 University, one with the University of California, seven
16 with other California agencies, and nine with private
17 consultants.

18 --o0o--

19 MR. SIEGEL: In order to look at where there's
20 expertise in the academic institutions in California we
21 went initially to the Internet to search all the colleges
22 and universities. We identified 366 colleges and
23 universities within California. After going to websites
24 and talking to many stakeholders and Board staff and
25 others, we ultimately whittled it down to the campuses of

1 the University of California, the campuses of the
2 California State Universities, Cal Tech, and U.S.C. as the
3 institutions that have expertise that could -- the
4 expertise requested, which was the engineering, chemistry,
5 environmental scientists, and marketing.

6 --o0o--

7 MR. SIEGEL: The individual expertise. Again, we
8 talked to Board staff, outside experts, other
9 organizations, specialist organizations and such. We
10 identified 35 people that -- within those institutions
11 that have some experience in tire research.

12 In looking into those, or the background, we
13 identified 9 of them that we could survey. We had a
14 45-minute survey by telephone with each of these people,
15 followed by 20-minute surveys with administrative offices
16 and I think contracting officers at the university.

17 --o0o--

18 MR. SIEGEL: Our findings -- and these are just
19 some of the findings. We found that most of the
20 tire-related activities at these universities are one-time
21 projects. And our activities related to other research
22 work funded by the federal and state government. This is
23 probably reflected in the fact that California lacks the
24 tire industry -- or manufacturers. And, therefore, the
25 universities are not as likely to have programs specific

1 for preparing students for that industry.

2 And we did identify three universities that were
3 well versed in the Board's fee-based source of funding and
4 budget for tire-related research.

5 The University of California at Riverside College
6 of Engineering Center for Environmental Research and
7 Technology and CSU Chico were perceived to have strengths
8 in both theoretical and applied research for this.

9 Three private consultants did comment though that
10 the universities in California, while performing excellent
11 theoretical research, they do lack the ability to do
12 applied technical -- or apply technical experience needed
13 by the Board.

14 --o0o--

15 MR. SIEGEL: UC Riverside, CSU Pomona, and U.S.C.
16 reported conducting research for tire manufacturing
17 companies, while others reported regular interactions with
18 the industry.

19 One campus expressed -- one UC campus -- and this
20 was something that wasn't too surprising -- expressed
21 hesitation in sharing research work with the California
22 State Universities since they felt those universities
23 primary role was instruction and UC's primary role was
24 research.

25 And, finally, an important finding I think is

1 that no proposals were received in those nine contracts
2 that went to consultants for requests for proposals. None
3 were received from UC or CSU campuses, and that's
4 primarily -- was said that the university resources as
5 required to submit the proposal were outweighed by the
6 benefits of such proposal. The timing of the Board's
7 contracts conflicted with other projects the University
8 had. And there was time-limited state -- the time-limited
9 state contracts and budgets do not allow the research
10 community -- or research continuity enlistment of graduate
11 students.

12 So, finally, based on those findings we came up
13 with three recommendations.

14 --o0o--

15 MR. SIEGEL: Before I go into it, I -- as we have
16 here, is just a warning I guess that before any of the
17 recommendations, 1 or 2, is chosen, that the Board look
18 very closely or work closely with the universities to more
19 fully discuss what the roles in funding would be for such
20 a research center.

21 --o0o--

22 MR. SIEGEL: The first approach is to establish
23 and maintain a tire research center within a California
24 university. The tire research center as designed by the
25 Board will serve the Board as a primary technical advisor

1 and centralized place for conducting research on
2 tire-related issues.

3 --o0o--

4 MR. SIEGEL: The second one is essentially to
5 develop a consortium within the university system, having
6 one university act as the control point in this
7 consortium.

8 --o0o--

9 MR. SIEGEL: The third is to establish a research
10 clearinghouse within the Board itself where a Board
11 personnel would develop a database and be able to quickly
12 identify people who could meet the needs of the Board,
13 both in the university and outside.

14 --o0o--

15 MR. SIEGEL: In evaluating this, these
16 proposals -- and this was not part of the report, but I
17 did provide you that comparison in the handouts -- we
18 looked at the structure just comparing the structure of
19 three proposals.

20 First is of course the standalone. The structure
21 of the standalone -- well, the structure of approach one
22 is a standalone university-based research center that
23 would conduct research on behalf of the Board.

24 The second is again the lead university entity
25 that coordinates with the other universities in California

1 to do the work for the Board.

2 And, finally, the Board-based program.

3 --o0o--

4 MR. SIEGEL: The minimum criteria:

5 For approach one you have a campus-housed
6 facility. It needs a staffing level of at least the
7 principal investigator, graduate students, and
8 administrator staff. And that could be multiple
9 investigators to cover the variety of areas that the Board
10 wishes to look at.

11 Start-up funding was estimated, based on other
12 such research centers, at 300 to \$500,000. And then you'd
13 have the daily staff salary and operating costs, develop
14 and maintain a database and develop subcontracts for
15 external consultants and also identify a Board staff
16 person to act as liaison.

17 The second approach would again identify a campus
18 research or administrator for this role at one university.
19 That would be staffed by at least one principal
20 investigator, maybe an administrator. A contract would be
21 needed to negotiate pay for services on an as-needed
22 basis.

23 There'd be minimal salary for the staff at the
24 university. That wouldn't necessarily be a full-time
25 position. Again, this staff would develop a database for

1 the university system to identify researchers who could
2 do the work for the Board. And it would establish
3 subcontracts for external consultants. And, again, you'd
4 need to have a Board liaison.

5 And the approach three, the Board position would
6 have to be a established or identified to develop the
7 clearinghouse. It would take an administrative or
8 technical person, depending on how the Board wanted to do
9 it, and establish that position and their salary, the
10 daily salary of the identified staff.

11 That staff person would develop a database that
12 would cover the universities as well as outside
13 consultants, and would be responsible to develop the
14 internal and external contracts.

15 --o0o--

16 MR. SIEGEL: The strengths of these approaches:

17 The first one would have an on-call, immediate
18 assistance to the Board. It would be designed to
19 specifically meet the needs of the Board and the
20 university -- and university recognition as the Board's
21 researcher. And it would be an entity to develop,
22 propose, and advise the Board on innovative recycling tire
23 research activities.

24 The second approach, the strength, that is its
25 access to all the UC/CSU researchers, relieves the Board

1 of the administrative responsibilities of locating
2 consultants and entering into individual contracts, and
3 minimizes the cost base on a fee-for-services basis.

4 And the third approach, as an in-house resource
5 that immediately can assist the Board, works with the
6 Board to facilitate internal and external consultant
7 contracts, and the database may be useful for other --
8 actually other boards and departments within Cal EPA and
9 other programs within the Waste Board.

10 --o0o--

11 MR. SIEGEL: The weaknesses:

12 For the first approach, requires start-up
13 funding. And that's a significant amount of funding.
14 Requires a three- to five-year research and funding
15 commitment by the Board. It requires daily operating
16 costs to maintain a research center even when not being
17 used by the Board. And the Board projects must include
18 actual research. Both UC and CSU researchers said that
19 they really do not see peer review as being a major task
20 in any kind of activity, that they would do that. But
21 research is really their main focus.

22 The second approach, the weakness is the
23 availability of researchers can be limited given the
24 universities' priorities. The distribution of projects
25 between UC and CSU may impede on consistency and

1 continuity on the research projects. The Board projects
2 must include, again, a guaranty of more research than peer
3 review.

4 And, three -- approach three, development of the
5 database by the Board can be a lengthy process. It's the
6 responsibility of the board to make the final selection
7 process in compliance with the state contracting process.
8 And you need to hire or redirect staff to do the work.

9 --o0o--

10 MR. SIEGEL: Okay. The major issues here are:

11 For approach one, three to five years research,
12 and financial commitment by the Board to support tire
13 research. Does the Board really have research workload
14 that requires this kind of commitment? And how much is
15 the Board willing to expend to reach an acceptable level
16 of expertise in this research center?

17 The second -- or approach two, will the Board
18 lose its ability to directly select or supervise its
19 activities, since the university would identify the
20 researchers? Again, does the Board have enough research
21 activity to do this as opposed to just peer reviews?
22 And will the university researchers have enough time
23 available to do the work?

24 And, finally, number three, is the Board
25 satisfied with the current contracting practices? Does

1 the Board envision to continue or expand such services in
2 other areas of support? And is the Board willing to
3 conduct outside research activities to increase its pool
4 of qualified consultants?

5 --o0o--

6 MR. SIEGEL: In conclusion, the findings of the
7 report reveal that the present level of tire-related
8 expertise available in California's academic institutions
9 may not fully meet the Board's needs. With no
10 comprehensive academic research program for the tires at
11 any California university campus, there is a need for the
12 Board to develop an infrastructure to recruit and sustain
13 tire-related research activities in and for California.

14 Thank you.

15 CHAIRPERSON MEDINA: Thank you.

16 With that I'll open it up for discussion among
17 the Board members.

18 Board Member Paparian.

19 COMMITTEE MEMBER PAPARIAN: Thank you, Mr. Chair.

20 And I wanted to thank our staff and the Office of
21 Environmental Health Hazard Assessment for putting
22 together an excellent report summarizing what's available
23 in California and what some of the issues and problems are
24 associated with potential for moving forward in this area.

25 The scope of work was meant to give us an

1 accurate accounting of the expertise available in
2 California and the options, and I think you've done an
3 excellent job in doing that.

4 Some of our initial suspicions I think were
5 validated, that there isn't much in the way of expertise
6 in California specific to tires, although there is some
7 interest in a number of the institutions, and there is
8 some relationship between some of the institutions and the
9 tire industry, either formally or informally currently.

10 One other thing to kind of throw into the mix.
11 This last March members of the tire staff, Howard Levenson
12 and myself and people from my office met with folks from
13 UC Davis, actually a number of their both
14 research-oriented folks as well as their administration,
15 to talk about a similar consortium option similar to
16 what's outlined in the report. They made a presentation
17 to us on the research capabilities that they have, and
18 then through other relationships with other universities
19 in this state how they could help coordinate some of that
20 research, not just on tires but on other issues as well.

21 I think we were going to follow-up to that
22 meeting, at least the staff was, in terms of bringing a
23 few of the UC Davis folks here to our offices to meet with
24 some of our senior staff and some of our program staff. I
25 assume -- is that still in the works?

1 CHIEF DEPUTY DIRECTOR NAUMAN: Mr. Paparian,
2 Julie Nauman.

3 Howard and I have had several conversations about
4 this. One of the first steps was to collect some examples
5 of the kinds of agreements that the university system has
6 with some other departments in state government. And I
7 know Howard was reviewing those. And then we were
8 planning to assemble the key players from the Board with
9 representatives from Davis. We haven't scheduled that
10 meeting yet, but we have been in continual contact with
11 them.

12 So I can't report any significant progress, but
13 we are continuing to pursue that.

14 CHAIRPERSON MEDINA: Excuse me.

15 I would caution against holding any meetings with
16 any representatives from the universities unless we invite
17 all representatives, because we may be awarding contracts
18 or grant monies in this area. And I think to meet with
19 one particular university at this time would show an
20 inclination towards that particular university. That
21 would be my concern.

22 I don't know if from the legal end that would be
23 anything we should take into consideration.

24 We have three options here. We have not fully
25 discussed all three options. And I would not want to give

1 any indication that we're leaning towards one particular
2 university at this time before, you know even our Board
3 has discussed this matter or showed an inclination towards
4 any one of these options.

5 COMMITTEE MEMBER PAPARIAN: I think in this case
6 it goes beyond tires. And it was a matter of trying to
7 understand what was possible with the University of
8 California at Davis. And certainly other universities
9 could be invited to make similar presentations, and I
10 think other agencies have done that as well.

11 UC Davis does have existing relationships of this
12 sort with CalTrans, with ARB, with Department of Health
13 Services, with the Energy Commission, and with Cal EPA.

14 So they have -- as I understand it, and as we
15 understood it from the presentations they made to us, what
16 they are able to do is develop a relationship where you
17 have a contract with them to conduct research as needed.
18 You are not necessarily giving them any money at that
19 point, but could -- as you needed them and as you
20 identified research that they could take care of, you
21 could very quickly enter into an interagency agreement
22 that they could either perform or they could work with
23 other universities to perform.

24 And, again, this is being done by CalTrans, by
25 ARB, Energy Commission, DHS, and Cal EPA. And I think

1 that just finding out more about how this works with the
2 other agencies would be very informative to us as we move
3 forward in conducting research here.

4 MR. DIER: Mr. Paparian, if I may respond to
5 that. We have been trying to get some more information on
6 those contracts or those relationships that you UCD
7 mentioned. As a part of that we've come cross and had
8 talked to the State Water Resources Board, who was trying
9 to enter into a similar arrangement with a campus and the
10 thing was rejected by General Services because of the
11 vagueness of the scope of work and the 42 percent overhead
12 rate.

13 And so we're getting mixed signals. You know --

14 CHAIRPERSON MEDINA: I have no doubt that UC
15 Davis has certain capabilities. However, when I was at
16 CalTrans we dealt with Cal State Poly, Cal State
17 Sacramento, UC Berkeley, UCLA. We dealt with a number of
18 these universities in regard to specific projects related
19 to transportation, which included tires as well.

20 So I think that I would not want to indicate any
21 leaning towards any one, any state university or college
22 at this point.

23 COMMITTEE MEMBER PAPARIAN: Well, maybe that is a
24 good suggestion, Mr. Chairman. And maybe what we could do
25 is invite the state university. I know we've had

1 relationships with CSU Chico, San Francisco State, and
2 others in the past. Maybe we could invite those that
3 we've had relationships -- and others -- to come forward
4 in the way the University of California at Davis has.

5 CHAIRPERSON MEDINA: I think the "others" is
6 important because we want to make this as open-ended as
7 possible.

8 COMMITTEE MEMBER PAPARIAN: Yeah. And let us
9 know what may be possible, what they could do.

10 Again -- and I'll look to Mr. Leary for his help.
11 This may apply not just to the tire area. If you have a
12 contract with the university, it may apply also to other
13 research areas as well.

14 So what I'd like to suggest is that -- and I take
15 your suggestion, Mr. Chairman, as a positive one -- that
16 we contact not just UC Davis but other universities as
17 well, to invite them to let us know what they might be
18 able to do in terms of a relationship with us in our
19 research needs. And that the staff come back with a
20 report on that, as well as some possible next steps, an
21 analysis of that information, some further investigation
22 of the possible consortium idea and how that might work --
23 it was option 2 in here -- and a time line and plan for
24 how -- if we wanted to move forward with that, how that
25 could be established.

1 CHAIRPERSON MEDINA: Again, I think this was an
2 excellent report. And you've given us three very viable
3 options and three that we will consider.

4 And we have yet to hear from Board Member Jones.
5 So Board Member Jones.

6 BOARD MEMBER JONES: Thank you, Mr. Chair.

7 I want to thank you both and your team of four
8 for trying to get through this task. I'm sure it wasn't
9 very easy.

10 I read your report, and I realize that there was
11 a lot of vagueness with the original RFP or whatever we
12 call it when we enter into an interagency agreement.

13 I took a lot from what you said in the report
14 that, number one, there's a lack of expertise and, number
15 two, what could be driving their interest in even entering
16 into some kind of a consortium may be the fact that their
17 budget dollars are impacted through this budget crisis and
18 they're looking for new sources of funding, and then
19 there's the learning curve that they'd have to go through.

20 In the experience that I've seen in the almost
21 seven years that I've been here, we've had the ability to
22 contract not only with California universities and state
23 colleges, but with the finest researchers available in the
24 United States, which has meant that we have had the best
25 or one of the best and most innovative tire programs in

1 the United States because we were not willing to limit the
2 pool of candidates.

3 I appreciate this report. I think that a real
4 thorough evaluation of the information you found shows
5 that what we've been doing over the six years makes a lot
6 of sense. Where there's expertise in the state system, I
7 think we ought to use it. But I sure as heck don't want
8 to spend three years and a million and a half dollars to
9 try to get a group up to speed with what's going on in
10 California, only to lose them to another program or to see
11 them go somewhere else. I don't think that's in the best
12 interests of the people of the State of California.

13 I also have problems with -- I read through all
14 of your list of contacts that have had, you know, some
15 experience with different state agencies. And I'm
16 familiar with some of them. I think we run a risk --
17 without looking at past contracts that we've done, we
18 haven't had the best experiences with some of our
19 contractors. We always seem to make sure that that's
20 identified when we're dealing with people from the private
21 sector. I'm not sure that we always identify quite as
22 aggressively when we're dealing with our colleagues in
23 other state agencies, whether it be the academia or
24 whatever.

25 Clearly we had an issue with a report out of UC

1 Davis that created a lot of fodder for debate. It was
2 used as a landmark report that this Board had accepted.
3 It went through peer review through a third party, and it
4 was identified that while most of the report was factual,
5 when it came to one specific area, it was clearly a point
6 of view.

7 We didn't have a choice. We had to accept that
8 report. I don't want to be in a position where we're in a
9 relationship with the UC system or anybody where it's just
10 assumed that we're going to take whatever they give us. I
11 think we need to continue to grow this state expertise,
12 but at the same time we need to have the expertise that's
13 available to us throughout the United States to continue
14 to move this problem forward. We've got the biggest tire
15 problem in the United States. And we are finding ways to
16 deal with it. And I think limiting our pool of candidates
17 to do work is a mistake.

18 And I appreciate your report. It's very hard I
19 think to always say what needs to be said if it's not
20 spelled out in an RFP. I mean if we'd have written the
21 RFP a little different and said, "Tell us exactly what you
22 think," you'd have had a very different task in front of
23 you. We didn't, so I won't hold you to it -- or I won't
24 ask you. But I appreciate, in reading the report, it was
25 pretty clear to me where there was some pretty big holes

1 in all these scenarios that you've identified. And I
2 appreciate it.

3 Thank you.

4 CHAIRPERSON MEDINA: Board members, as Chair I
5 want to take the prerogative to give a direction in regard
6 to this issue. And that's, namely, to -- at a future
7 meeting of this Special Waste Committee to have the three
8 options that were raised be brought up for discussion with
9 representatives from UC Davis or any other university that
10 wishes to come up and make a case for either option 1 or
11 option 2.

12 And for our staff, I'd like to have our staff
13 make a case for option 3, which I think is also a viable
14 option. Why should it be in-house?

15 So I'd like to schedule this for further
16 discussion on these three options, and with a direction --
17 or a recommendation to the Board resulting from that and
18 bring it up to the Board for a decision in regard to which
19 one of the three options that we would chose.

20 We will discuss the three options at another
21 meeting of this Committee more fully than we can do today,
22 and resulting from that some sort of a recommendation to
23 the Board.

24 Mr. Paparian.

25 COMMITTEE MEMBER PAPARIAN: Yeah, that's sounds

1 like a good approach, Mr. Chairman. And I -- what we
2 heard from UC Davis was somewhat of a hybrid of option 2.
3 And hopefully we would be open to hearing what that would
4 be and what that might mean. You know, so that they're
5 not necessarily restricted to the letter of option 1, the
6 letter of option 2, letter of option 3, but they could say
7 how they could make that work --

8 CHAIRPERSON MEDINA: Well, at this point we're
9 not close to any of the three options. And if they can be
10 further developed, you know, we'd be glad to hear that
11 presentation at another meeting of this Committee.

12 COMMITTEE MEMBER JONES: Mr. Chair?

13 CHAIRPERSON MEDINA: Board Member Jones.

14 BOARD MEMBER JONES: I think one of the very
15 important things that our friends from OEHHA pointed out
16 was that this Board had to clean up what is expected of
17 these universities by a scope of work, what our mission
18 would be, what our deliverables would be, the things that
19 really drive any contract and even anybody's decision
20 whether or not to respond to a contract offering.

21 So I think we need to -- I'll throw this out as,
22 maybe we need to have an item first where we talk about
23 specifically -- staff could come with some context as to
24 what the mission and what the, you know, deliverables
25 would be expected so that if the next meeting included

1 proposals of, you know, what's available, at least we
2 would have narrowed what our mission and what our
3 expectations are. I don't think it's fair to leave it
4 open-ended without taking that really important
5 recommendation from OEHHHA, that this Board clear that up.
6 So I'd throw that out as might be a primarily step.

7 CHAIRPERSON MEDINA: Because that comes from the
8 report, I think that that's a good recommendation, and
9 certainly we can fit that into some sort of time line.

10 In regard to the research clearinghouse, because
11 there's a discussion that that would be done in-house, I'd
12 like to hear -- have our staff prepare recommendations in
13 regard to option 3, how they would approach option 3.

14 Mr. Paparian.

15 COMMITTEE MEMBER PAPARIAN: Yeah, just as long
16 as -- I'd like to see this move along, you know, in the
17 next few months. And I think we did outline a number of
18 the things that Mr. Jones talks about. I think we
19 outlined that in the five-year plan that we just went
20 through. I think there's a whole section in there on
21 research that would be instructive to any of the folks
22 taking a look at where we might be going with this.

23 CHAIRPERSON MEDINA: I think that we can safely
24 accommodate both of your recommendations and get this done
25 in a timely manner, so that we'll proceed in regard to

1 this.

2 And, again, thank you very much for your
3 presentation.

4 DEPUTY DIRECTOR LEE: Chairman Medina, one point
5 of clarification.

6 The item that we'll be bringing back the next few
7 months, is that going to deal exclusively with the
8 tire-related issues? Board Member Paparian had mentioned
9 in his discussions with the executive director kind of a
10 larger scope looking at more than tire-related issues.

11 CHAIRPERSON MEDINA: At this time tire-related
12 issues.

13 DEPUTY DIRECTOR LEE: Thank you.

14 CHAIRPERSON MEDINA: Next item please.

15 DEPUTY DIRECTOR LEE: Board Item 5, Committee
16 Item D, is consideration of proposed applicant
17 eligibility, project eligibility, scoring criteria, and
18 evaluation process for the 2003-2004 Waste Tire Track and
19 Other Recreational Surfacing Grant Program.

20 Elena Yates will make the staff presentation.

21 (Thereupon an overhead presentation was
22 Presented as follows.)

23 MS. YATES: Good morning, Chairman MEDINA and
24 Board members. I'm Elena Yates from the Waste Tire
25 Diversion Section of the Special Waste Division. I will

1 make this a brief presentation.

2 This presentation is for Committee Item D,
3 consideration of proposed applicant eligibility, project
4 eligibility, scoring criteria, and evaluation process for
5 the Fiscal Year 2003-2004 Waste Tire Track and Other
6 Recreational Surfacing Grant Program. Attachment 1
7 presents the criteria for this grant cycle.

8 The five-year plan approved by the Board at its
9 March 2001 meeting designated \$1 million each fiscal year
10 to fund the Waste Tire Track and Other Recreational
11 Surfacing Grant Program for five fiscal years beginning in
12 Fiscal Year 2001-2002.

13 The Fiscal Year 2003-2004 program will be the
14 third cycle under the five-year plan.

15 --o0o--

16 MS. YATES: The five-year plan approved by the
17 Board at its May 2003 meeting designated \$800,000 for the
18 Fiscal Year 2003-2004 Waste Tire Track and Other
19 Recreational Surfacing Grant Program.

20 Each applicant is eligible to receive a maximum
21 of \$100,000 and is required by the Board to provide an
22 equal match of the grant amount requested.

23 If applicant qualifies for extreme financial
24 hardship, the matching requirement may be reduced to 50
25 percent of the grant amount requested.

1 --o0o--

2 MS. YATES: Staff recommends that the Board
3 approve Resolution Number 2003-382, directing staff to use
4 the proposed applicant eligibility, project eligibility,
5 scoring criteria, and evaluation process for the Fiscal
6 Year 2003-2004 Waste Tire Track and Other Recreational
7 Surfacing Grant Program.

8 That completes my presentation.

9 CHAIRPERSON MEDINA: Thank you.

10 Board members, any questions, comments regarding
11 this item?

12 If not --

13 COMMITTEE MEMBER JONES: Mr. Chair?

14 CHAIRPERSON MEDINA: Yes, Board Member Jones.

15 COMMITTEE MEMBER JONES: I'll move adoption of
16 resolution 2003-382, consideration of proposed applicant
17 eligibility, project eligibility, scoring criteria, and
18 evaluation process for the Fiscal Year 2003-4 Waste Tire
19 Track and Other Recreational Surfacing Grant Program.

20 COMMITTEE MEMBER PAPARIAN: Second.

21 CHAIRPERSON MEDINA: Resolution 2003-382 has been
22 moved by Board Member Jones, seconded by Board Member
23 Paparian.

24 Substitute the previous roll call.

25 And this will be placed on the consent calendar.

1 Is there any public comment at this time?
2 Is there any further business at this time?
3 If not, this meeting is adjourned.
4 (Thereupon the California Integrated Waste
5 Management Board, Special Waste Committee
6 adjourned at 10:30 a.m.)

7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

CERTIFICATE OF REPORTER

I, JAMES F. PETERS, a Certified Shorthand
Reporter of the State of California, and Registered
Professional Reporter, do hereby certify:

That I am a disinterested person herein; that the
foregoing California Integrated Waste Management Board,
Special Waste Committee meeting was reported in shorthand
by me, James F. Peters, a Certified Shorthand Reporter of
the State of California, and thereafter transcribed into
typewriting.

I further certify that I am not of counsel or
attorney for any of the parties to said meeting nor in any
way interested in the outcome of said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand
this 14th day of July, 2003.

JAMES F. PETERS, CSR, RPR
Certified Shorthand Reporter
License No. 10063